

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D.C.

ORDER NO. 2773

IN THE MATTER OF:

Served October 11, 1985

Application of DAV-EL OF WASHING-)
TON, D.C., INC., for a Certificate)
of Public Convenience and Necessity)
to Conduct Charter Operations)
between Points in the Metropolitan)
District)

Case No. AP-85-14

By application filed March 26, 1985, Dav-El of Washington, D.C., Inc. ("Dav-El" or "applicant"), seeks authority to conduct charter operations, transporting passengers and baggage in the same vehicle with passengers, over irregular routes between points in the Metropolitan District, 1/ restricted to transportation in vehicles with a manufacturer's designed seating capacity of 15 passengers or less including the driver, and further restricted against transportation described in Commission Regulation No. 70-01. 2/

After two continuances at the request of applicant's counsel, a full day's hearing was held on June 25, 1985. 3/ Further hearing was continued until July 18, 1985, to accommodate protestant Beltway Limousine Service, Inc. ("Beltway" or "protestant"). 4/ Dav-El presented two company witnesses and five public witnesses; Beltway presented one company witness.

1/ As the application recognizes, the Commission's jurisdiction does not extend to transportation between points located solely within the Commonwealth of Virginia. To the extent this application could be interpreted to include such transportation, it was dismissed for want of jurisdiction by Order No. 2693, served April 5, 1985.

2/ Applicant later moved on the record to restrict its application to luxury-equipped vans and vans equipped with cellular phones, except vans leased for seven days or less. These motions were denied by the Administrative Law Judge on the grounds that such restrictions were administratively undesirable and difficult to enforce. We concur in the ALJ's ruling and reasons.

3/ See Order No. 2693, served April 15, 1985; Order No. 2699, served April 23, 1985; and Order No. 2705, served May 17, 1985.

4/ See Order No. 2730, served June 27, 1985.

SUMMARY OF TESTIMONY

Jon Goldberg, applicant's general manager, testified that he has complete responsibility for running the Washington office of Dav-El, a wholly-owned subsidiary of Dav-El Services, Inc. ("DSI"), trading as Dav-El. Applicant is part of a national system that includes subsidiaries in New York and Los Angeles; franchises in Chicago, Atlantic City, and Philadelphia; and a network of 150 affiliates throughout the country. DSI has a toll-free telephone number operating 24 hours a day, seven days a week, allowing clients to reserve vehicles throughout its system.

Applicant currently operates a limousine service with a fleet of 14 vehicles, each equipped with a cellular phone. Dav-El's offices and equipment are located near downtown Washington, directly behind Union Station. The drive to central downtown is 15 minutes in rush hour. Applicant employs 19 full-time and five or six part-time drivers. All drivers have either a chauffeur's license or a hack license and are required to attend a five-day training course that includes classroom lectures, a six-hour training film, and two and one-half days supervised driving. The training emphasizes methods of driving a limousine, Dav-El's standards and requirements, vehicle safety, and personal safety of clients. Drivers are required to wear complete chauffeur's attire.

Dav-El employs a full-time mechanic who handles routine maintenance and repairs. The maintenance system is fully computerized to track routine maintenance. Drivers perform daily vehicle checks of water, oil, and fluid in brakes, power steering, and batteries. Each time a driver takes a car out he receives a card on which he notes any mechanical problems. He gives the card to the dispatcher who refers problems to the mechanic.

Dav-El's facility is open and a dispatcher is on duty 24 hours a day, seven days a week. A driver is on overnight standby Sunday through Thursday.

Applicant wants to offer service in 15-passenger "luxury" vans. These vans would be carpeted, air-conditioned with front and rear controls, and equipped with AM-FM stereo cassettes, telephones, and two-way radios. They would also be maintained as luxury vehicles, i.e., quality maintenance, washed when slightly dirty, waxed once a week, all dents removed promptly. Mr. Goldberg testified that Dav-El has the financial capability to provide as many vans as required. Drivers of the vans would be trained Dav-El employees. The vans would be maintained in the same fashion as the limousines, would be available 24 hours a day, seven days a week, and would be accessible through the national reservation system. Mr. Goldberg believes that no carrier currently provides this type of service.

As applicant's Exhibit No. 1, a list of van service revenue for September 1984-May 1985 was introduced into evidence. That exhibit indicated total revenue of \$18,243 or average monthly revenue of \$2,027 representing about 58 hours at \$35 an hour. On direct examination Mr. Goldberg testified that some of the revenue shown in the exhibit is Dav-El's charge for providing a chauffeur in cases where clients had issued a check payable to a place that rents vans. Dav-El staff delivered the check and rented a van in the client's name. The client signed all papers and paid Dav-El separately for the chauffeur. In other cases, van work was "farmed out" to carriers which Mr. Goldberg believed to be certificated. 5/ In a few cases, Dav-El itself rented the van. According to Mr. Goldberg, this was done on a few occasions due to time constraints and tremendous inconvenience that other action would cause clients who did not live in Washington. Mr. Goldberg said he was aware that the practice is a violation of Commission regulations and that Dav-El has ceased the practice and has informed all van clients that the only way Dav-El can now provide van service is if the client rents the van and Dav-El provides the chauffeur. 6/

Applicant was asked to produce supporting documents for Exhibit No. 1 for January to May. On cross-examination based on those documents, Mr. Goldberg testified that Dav-El had provided service in at least one and as many as five vans on May 5, 7, 8, 9, 10, 11, and 12; April 23, 24, and 30; March 5, 6, and 25. This service was within the Metropolitan District, and Dav-El provided both the vehicle and the driver, charging in most cases a rate of \$35 an hour. Producing approximately \$5,460 revenue, these movements were in addition to work "farmed out" to a certificated or uncertificated carrier and in addition to times when the client rented a van and Dav-El provided a driver.

Mr. Goldberg testified that he received a copy of both the Compact and the Commission's Rules and Regulations prior to July 18, 1984. At that time he familiarized himself with the documents. Although he has not reread them, he testified that he was aware that transportation in the Metropolitan District, which he knows to include the District of Columbia, is a regulated industry. Since June 1, 1985, Dav-El itself has performed only one additional van movement. That

5/ With the exception of Beltway, which provided transportation in January 1985, Dav-El used two carriers only, both of which lacked the requisite certification.

6/ It is clear from Mr. Goldberg's strenuous efforts in this regard that he was trying to do this in a way that would not violate the law. However, it is not clear to us that the simple fact of the client's providing a separate check made out to a van rental company would make the operation something other than transportation for hire by Dav-El.

movement consisted of service for ITT, a large client, whose representative refused to either write a separate check for equipment or to allow Dav-El to "farm out" the work. Mr. Goldberg testified that, if the situation repeated itself, he would not provide the service. Dav-El's revenues for January 1 to June 30, 1985, were \$470,000. About \$20,000 of that was van revenue, and \$5,700 of that \$20,000 was earned in trips operated by Dav-El.

Mr. Goldberg justified his practice of providing van transportation as a business decision to serve limousine clients who requested a van but for whom he was unable to make arrangements with the carrier of his choosing or to provide for separate hiring of van and driver. Dav-El has had no contact from the Commission regarding unauthorized operations, nor has it had complaints from other operators. It neither solicits van business nor advertises van service. The movements provided May 7-May 12 were for one client, the National Democratic Institute. Dav-El has filed an application so it can operate legitimately. If its application is granted, Dav-El will conform to the requirements of the Compact and the rules and regulations of the Commission.

Finally, Mr. Goldberg testified that he has found protestant Beltway's service below Dav-El's standards. Vehicles were not punctual. Drivers were not in uniform and did not know where to go. Therefore, Mr. Goldberg stopped using Beltway. Nevertheless, he did use Beltway in mid-January when equipment elsewhere was unavailable due to the presidential inauguration. Again, Mr. Goldberg found Beltway's service unsatisfactory. The vans were late, the drivers did not check with the hotel concierge as instructed, and confusion resulted.

Mark Rosenthal, corporate comptroller for DSI, testified regarding the financial condition of Dav-El. Mr. Rosenthal is DSI's chief financial officer. His duties include preparing the company's financial statements. Mr. Rosenthal described DSI's financial condition as excellent, noting that its revenues through June 30, 1985, show an increase in business of 20 percent over 1984. He projects profits for DSI of \$200,000- \$250,000 in 1985. Applicant's revenues show an increase of 25-30 percent for the same period. If Dav-El's application is granted, DSI would provide for the purchase of as many vans as demand required. Any vans purchased by applicant would be covered under DSI's \$10.5 million automobile accident liability insurance. During Mr. Rosenthal's cross-examination, the record was supplemented with year-end financial statements for DSI and applicant. DSI's balance sheet of December 31, 1984, indicated total assets of \$4,504,080, including current assets of \$971,865, fixed assets (less depreciation) of \$2,999,997, and inter-company receivables of \$435,840. Total liabilities of \$4,030,227 were listed, plus common stock valued at \$18,000, and retained earnings of \$455,853. The balance sheet for applicant dated December 31, 1984, indicated current assets of \$106,924, fixed assets (less depreciation) of \$294,689, and

inter-company receivables of \$43,217 for total assets of \$444,830. Total liabilities of applicant were listed at \$640,632, consisting of \$186,688 current liabilities, \$106,661 long-term liabilities, and \$347,283 inter-company payable. Applicant's balance sheet showed \$100 equity and a deficit to retained earnings of \$195,902. Mr. Rosenthal was unable to estimate how much of applicant's total liabilities were current. However, he testified that applicant would not be expected to repay the inter-company payable. The income statement for calendar year 1984 indicated revenues of \$6,151,156 for DSI and \$678,091 for applicant, expenses of \$6,173,228 for DSI and \$690,545 for applicant. After allowance for income taxes and extraordinary items, DSI showed a net loss of \$108,040, applicant showed a net loss of \$22,987. According to Mr. Rosenthal, the parent company experienced substantial one-time expenses and some disruption of business resulting in lost revenues due to the movement of its offices from New York City to Newark, N.J. He estimates the cost of the move at approximately \$300,000, all of which is reflected in DSI's 1984 operating statement. 7/

Wesley Croteau is Manager of News Unit Managers for the Washington bureau of the American Broadcasting Company ("ABC"). Mr. Croteau's duties include arranging transportation for production and engineering crews. Limousines are used daily; vans are required about once every three weeks. Mr. Croteau wants to deal with one carrier because that saves time and makes payment by ABC's New York office more convenient. He has used Dav-El's limousine service for five years and has had no major complaints. Van transportation is needed to such places as the White House, Capitol Hill, Andrews Air Force Base, and stadiums in Washington, D.C., and College Park, Md. ABC requires 24-hour service and quick, flexible response since the location and number of persons to be transported often changes on short notice. Although van service to date has been in vehicles without telephones, Mr. Croteau's crews need access to a telephone and would use that service if it were available. Mr. Croteau has used other certificated carriers, but he was unaware that Beltway provided general charter service in vans until winter of 1984 when a letter regarding that carrier's availability for the inaugural was passed along to him. By that time, ABC was committed to Dav-El for the inaugural.

7/ A consolidated balance sheet and operating statement for DSI and subsidiaries, including applicant, was also introduced. The balance sheet dated December 31, 1984, shows total assets of \$5,953,845 including current assets of \$1,462,604, fixed assets (less depreciation) of \$4,334,346, and other assets of \$156,895. Total liabilities of \$5,479,992 were listed, plus common stock of \$18,000 and retained earnings of \$455,853. The income statement for the 12-month period ended December 31, 1984, indicates revenues of \$10,103,881 and expenses of \$10,278,502, including interest and taxes, for a net loss of \$174,621.

Finally, Mr. Croteau testified that applicant had informed him about eight or nine months prior to the hearing that Dav-El would be unable to provide vans. The witness continued to contact Dav-El for that transportation under the impression that Dav-El was contracting out the service either to another carrier or to a vendor. Mr. Croteau further testified that in April or May of this year he was informed that in order for Dav-El to provide ABC with van service, ABC would either have to rent a van directly or provide Dav-El with a check for the rental.

Karen Nicola-Preston, travel officer for the Institute of International Education ("IIE"), testified in support of the application. Ms. Nicola-Preston handles transportation arrangements and auxiliary travel reservation services for participants in the educational exchange program which IIE conducts under contract with various government agencies. In the Washington area Ms. Nicola-Preston each year requires van service for approximately 25-30 groups of various sizes between points in Washington, D.C., and from Washington, D.C., to points in Montgomery County, Md., Beltsville, Md., and Northern Virginia. The witness usually uses a 21-passenger van for added comfort. However, about 75 percent of the groups she handles are small enough to use 15-passenger vans, and in the past 12 months Ms. Nicola-Preston rented a 15-passenger van 10 to 12 times. The persons transported by IIE are mid-level professionals and academics in various fields who are judged to be potentially influential in the future of their countries. Thus, luxury van service is appropriate to their positions and important to the overall program. Telephone service in the vans, while not required, would be a convenience in changing transportation schedules during the day as necessitated. Currently, escorts check with IIE at predetermined calling times. This system is less efficient. Ms. Nicola-Preston has used protestant and found its service inadequate because drivers were late and not in uniform, and vehicles were not clean. The witness was also dissatisfied with the exterior painting of Beltway's vehicles which she found more appropriate for tourism than for the service she requires.

Ms. Nicola-Preston became aware that Dav-El had applied to the Commission for operating authority in the latter part of 1984, a time when she had no outstanding transportation needs. About two to three months ago, when her needs for 1985 began to materialize, Dav-El told her it would be necessary for IIE to rent a van itself in order to use Dav-El drivers. The witness finds this inconvenient; it wastes administrative time and dilutes financial records. In addition, IIE uses Dav-El's national reservation network extensively because it allows centralized arrangements for its clients who are in Washington for about one week and then in other parts of the country for three weeks; it also allows centralized billing.

Diana Meinhold is president and principal owner of Travel Advisors, Inc., an "inbound reception tour operator and destination

management firm" which trades as World Travel Advisors for retail travel purposes. Ms. Meinhold has never done business with Dav-El. She needs transportation in 15-passenger vans for sightseeing and point-to-point transfers in Washington, D.C., Northern Virginia, and suburban Maryland. Most of Ms. Meinhold's clients are traveling at their employers' expense either on regular business trips or incentive bonus trips. According to the witness, the company paying for the transportation wants to reward these persons. For this reason luxury van service including a telephone is important. Ms. Meinhold finds trained chauffeurs are more able to suggest where to visit and dine. Ms. Meinhold also testified that Dav-El's 24-hour service and 15-minute response time would help her meet her customers' spontaneous plans. If Dav-El's application is granted, Ms. Meinhold would use its service about twice a month.

Ms. Meinhold testified that she had used Beltway's service in 1981 and 1982, and its drivers were not in uniform. Ms. Meinhold also objected to the colors of Beltway vans which are not subtle enough for the tastes of her clients. In her opinion Beltway's services are not consistently adequate to serve the needs of her clients. For that reason she would not recommend protestant to her colleagues. For the past 18 months, Ms. Meinhold has used 21-passenger vehicles provided by International Limousine and Phoenix Tours, Inc., even for groups who could have used 15-passenger vehicles, because she could not find the kind of equipment with the kind of service she needs in 15-passenger vans. To date in 1985, Ms. Meinhold has chartered a 21-passenger vehicle between 10 and 12 times; some of the charters were for multiple days. Ms. Meinhold was unaware that Dav-El was proposing to institute service with only one van but testified that would not cause her a problem as long as she knows that and knows what her options are.

Louis Mejorado, chief concierge and assistant manager of the Hay Adams Hotel, Washington, D.C., testified in support of the application. The Hay Adams is a luxury hotel, and Mr. Mejorado's duties include arranging transportation for guests. Sometimes guests request 15-passenger vans for group transportation or in combination with limousine service. Van service is often requested on short notice and at late hours. Transportation requests are for sightseeing and point-to-point service in Washington, Virginia, and Maryland. Guests ask for phones in limousines to receive messages relayed from the hotel and to keep in touch with their offices. He assumes these persons would also want telephones in the vans. Mr. Mejorado testified that it is important for drivers to know the area well and be able to guide repeat visitors to places not on regular guided tours. It is also important to have uniformed chauffeurs to convey a professional image. Mr. Mejorado estimates that he would use Dav-El's van service three to four times a month. Mr. Mejorado used vans seven to eight times in 1985; four or five of those times the service was provided by Dav-El, the most recent being about six weeks earlier. Mr. Mejorado has never called protestant Beltway for service.

Mr. E. J. Gonzales, concierge at the Sheraton Grand Hotel, testified in support of the application. The Sheraton Grand is located in the Capitol Hill area and serves congressmen and large corporate accounts. Mr. Gonzales classifies it as a luxury hotel. His duties include arrangement of transportation. Sometimes guests need last minute van service to points in the District of Columbia, Northern Virginia, and Maryland. If Dav-El is granted authority, Mr. Gonzales would use its service. Dav-El's proposed tariff for van service represents an average rate for limousine service and thus is an amount Sheraton clients would be willing to pay. In addition, Dav-El's ability to arrive at the hotel in ten minutes, its 24-hour operations, and the availability of telephones suits the needs of the Sheraton's customers. Since the Sheraton opened in December 1984, Mr. Gonzales has had only three requests for van service. One request was cancelled, one was filled by Dav-El, and one by a certificated carrier. Both companies provided a 15-passenger van. Mr. Gonzales expects transportation requests to increase as the Sheraton, which is relatively new, becomes better known. Based on his experience, Mr. Gonzales expects about one request a month for 15-passenger van service.

Jerry G. Robertson, vice-president of Beltway Limousine Service, Inc., testified for protestant. Beltway provides transportation in 15- and 21-passenger vans pursuant to Certificate No. 25 which authorizes, inter alia, service similar to that for which Dav-El seeks a certificate. Beltway leases twenty-four 15-passenger vans and twenty-four 21-passenger vehicles. All 15-passenger vans have air-conditioning, AM-FM stereo radios, tinted windows, and two-way radios. In 1984 Beltway lost five government contracts which used twelve 15-passenger vans. This has resulted in loss of revenue which Beltway has not been able to recoup and 10-12 vans which are not under contract, six of which are needed to fulfill its obligations to provide charter service to the general public. Although it received no referrals from Dav-El in 1984 and none in 1985 after January 15, Beltway wants to work with Dav-El. Beltway currently provides transportation for several organizations that are also clients of Dav-El including ABC, CBS, ITT, and American Express.

In rebuttal to testimony from previous witnesses, Mr. Robertson testified that Beltway's vans are white with a single blue stripe, and the company has never used the color orange on any of its vehicles. Mr. Robertson further testified that Beltway never provided service to the Institute for International Education in either the Spring of 1983 or the Spring of 1984.

Beltway's position is that Dav-El's application should be denied because (1) protestant is capable of handling the public's need for van service making certification of an additional carrier unnecessary; (2) given Beltway's recent revenue losses, certification

of an additional carrier would cause protestant irreparable harm, and (3) applicant is unfit as to compliance.

DISCUSSION, FINDINGS, CONCLUSIONS

The disposition of Dav-El's application is governed by the Compact, Title II, Article XII, Section 4(b), which provides in pertinent part as follows:

[T]he Commission shall issue a certificate to any qualified applicant therefor, authorizing the whole or any part of the transportation covered by the application, if it finds, after hearing held upon reasonable notice, that the applicant is fit, willing and able to perform such transportation properly and to conform to the provisions of this Act and the rules, regulations, and requirements of the Commission thereunder, and that such transportation is or will be required by the public convenience and necessity; otherwise such application shall be denied.

Thus, the applicant's burden is twofold. It must prove (1) its fitness, and (2) public convenience and necessity requiring the proposed service. For the reasons discussed below, we find that Dav-El has met the burden of proof which the statute imposes. Accordingly, Dav-El's application shall be granted.

The concept of fitness as used in Section 4(b) involves three elements: (1) financial capacity to undertake the proposed venture; (2) operational capability to provide transportation service safely and efficiently; and (3) willingness voluntarily to abide by the law and the Commission's regulations. The record firmly demonstrates applicant's financial fitness. Both Dav-El and its parent have substantial assets. The operating losses recognized by DSI appear to be due to a non-recurring expenditure which was handled conservatively for accounting purposes. Moreover, the loss was readily covered by an adjustment to DSI's ample retained earnings. DSI's surplus retained earnings are also adequate to cover Dav-El's deficit in that category. Dav-El showed a small loss in 1984. However, increased revenues in 1985 indicate that operations will be profitable this year, given the fact that DSI will not demand payment of inter-company payables. Because of its relationship with DSI, Dav-El can be assured of financial assistance in the form of available lines of credit when needed to begin or expand the proposed operations and to fulfill any obligations imposed by a certificate of public convenience and necessity from this Commission. Similarly, Dav-El's operational capability is indicated by the fact that it is an experienced and successful operator of limousine service. In providing that service, applicant uses equipment of good quality that is regularly maintained

and is driven by trained chauffeurs. Applicant's proposed van service would be made part of its existing service, similarly maintained, and driven by the same or similarly trained chauffeurs. Furthermore, applicant is ready, willing, and able to purchase as many vehicles as demand warrants to provide the service for which it here seeks authority.

The record indicates that applicant has conducted unauthorized van operations on 14 occasions in 1985, the most recent operation occurring in June. A careful review of the evidence indicates, however, that 50 percent of those movements were for a single client in town for a single event. Four clients appear to account for the remainder of the unauthorized operations to which Mr. Goldberg testified. The evidence further indicates that Mr. Goldberg's usual way of dealing with regular limousine customers who request van service is to arrange for another carrier to perform the requested service. The Commission does not condone unauthorized operations regardless of the paucity of their numbers or the explanation therefor. However, when deciding whether an applicant has met its burden of proof as to compliance fitness the Commission must judge whether the evidence supports a conclusion that an applicant will conform voluntarily and prospectively to the requirements of the Compact and the Rules and Regulations of the Commission. The Commission does not believe the prior operations conducted by applicant, in consideration of the circumstances surrounding such operations, and in the context of this particular case, warrant the conclusion applicant will not, in the future, comply with pertinent regulatory requirements. Applicant is advised of the necessity to familiarize itself completely with the law and regulations of the Commission relating to transportation for hire of passengers and to avoid violations which in the future will be dealt with more harshly.

We turn now to the matter of whether applicant has satisfied its burden of proving that the public convenience and necessity require the proposed service. The Commission has relied on the test enunciated in Pan-American Bus Lines Operations (1 MCC 190, 203 [1936]) when interpreting this provision of the Compact. The Pan-American test consists of three parts as follows:

. . . whether the new operation or service will serve a useful public purpose, responsive to a public demand or need; whether this purpose can and will be served as well by existing lines or carriers; and whether it can be served by applicant with the new operations or service proposed without endangering or impairing the operations of existing carriers contrary to the public interest.

Applicant produced five public witnesses. Based on their testimony we find that Dav-El proved that its proposed service meets an expressed public need for transportation between points in the

Metropolitan District and thereby would serve a useful public purpose. Applicant's five public witnesses -- two from the travel industry, two from the hotel industry and one from the news media -- all testified to a need for 15-passenger van service ranging in frequency from 12 to 36 times a year on average. The witnesses' testimony taken as a whole indicates that need would include transportation throughout the Metropolitan District. All witnesses testified that Dav-El's service offered some advantage which was especially important to the service which they or their clients required. ABC requires telephones, 24-hour service and quick, flexible response to accommodate last-minute changes in transportation needs. The other witnesses found the appearance and appointments of Dav-El's vehicles as well as its use of uniformed chauffeurs to be important to the type of service required by their clients.

Beltway reserves six vehicles for general charter use, and at the time of public hearing had an additional four to six vehicles uncommitted to contract work. It is protestant's position that it can adequately fill the transportation needs of applicant's witnesses. The testimony indicates that three of applicant's witnesses have never used Beltway's charter service. However, two witnesses, Ms. Nicola-Preston and Ms. Meinhold, did use Beltway's service and testified that it was unsatisfactory in several respects as discussed previously. Beltway currently has enough equipment available to meet the need for additional service demonstrated in this case. However, the record also demonstrates that the service that would be provided by Beltway does not meet the requirements of applicant's witnesses.

This brings us to the final aspect of the Pan-American analysis: whether the proposed service can be provided without endangering or impairing the operations of existing carriers contrary to the public interest. Beltway testified that it has lost revenues in 1985. This loss of revenues appears to be directly attributable to non-renewal of government contracts for which Beltway had leased vehicles for either two or four year terms thereby incurring fixed expenses which it must cover through other means. One avenue available to Beltway is expansion of its general charter service. The evidence of record indicates that Beltway currently serves none of applicant's witnesses. 8/ Moreover, two of Dav-El's witnesses have been dissatisfied with Beltway's service in the past. Thus, to the extent that Dav-El proposes to offer service to those persons who testified in support of its application, Beltway's revenues will be unaffected. The testimony regarding the quality of Dav-El's operations indicates that the public interest will be well served by the addition of this new

8/ Mr. Croteau of ABC testified that he had never chartered service from Beltway. Mr. Robinson testified that Beltway had provided service to ABC. This is reconciled by the fact that Mr. Croteau does not arrange all of the transportation for ABC.

carrier. We also conclude that Beltway's finances will be minimally affected because these two carriers compete for different types of business within the same category.

THEREFORE, IT IS ORDERED:

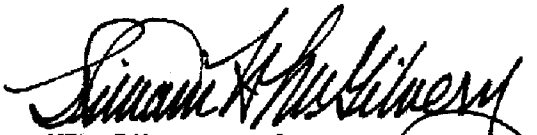
1. That Dav-El of Washington, D.C., Inc., is hereby granted authority to transport passengers, together with their baggage in the same vehicle, in charter operations over irregular routes between points in the Metropolitan District, restricted to transportation in vehicles with a manufacturer's designed seating capacity of 15 passengers or less including the driver, and further restricted against transportation described in Commission Regulation No. 70-01.

2. That Dav-El of Washington, D.C., Inc., is hereby directed to file the following: (1) three copies of its WMATC Tariff No. 1; (2) an equipment list indicating make, model, registration and identification numbers, year of manufacture, and designed seating capacity for all vehicles to be used in certificated operations; (3) an appropriate certificate of insurance; (4) an affidavit of identification of vehicles in compliance with Commission Regulation No. 68 for which purpose WMATC No. 123 is assigned.

3. That Dav-El of Washington, D.C., Inc., is hereby directed to pay to the Commission the sum of \$359, said sum being the balance due to cover the cost of its hearings, pursuant to the Compact, Title II, Article XII, Section 19.

4. That unless applicant complies with the requirements of the preceding two paragraphs within 30 days, or such additional time as the Commission may direct, the grant of authority herein shall be void, and the application shall stand denied in its entirety effective upon the expiration of the said compliance time.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS, WORTHY, SCHIFTER, AND SHANNON:


WILLIAM H. MCGILVERY
Executive Director